



What does the 2005 Funding Package promise for future transportation investment in Washington?

The 2005 Washington State Legislature provided a 16-year expenditure plan to take care of some of Washington State's most critical transportation needs. Over 270 projects will be funded by this package that will make roads and bridges safer as well as ease choke points on the system.

2005 Transportation Funding Package	
Projected 16-Year Proceeds <i>(dollars in millions)</i>	
New Funding Restricted to Highway Use (18th Amendment)	
9.5¢ Gas Tax Increase (phased in over four years)	\$5,546
Trucks under 8,000 lbs.	341
Vehicle License Plate Fees	227
Interest Income	38
Total Cash Revenue Projected Over 16 Years	6,152
Less for 16 Years Total Annual Debt Service on New Bonds	-3,994
Net Available for Cash Funding for Investments	2,158
Net Available for Cash Funding for Investments	\$2,158
Proceeds of Bonds for the Program to be Repaid from Revenues	5,100
Total Investment for 18th Amendment Restricted Funds	\$7,258
New Funding Available for Any Transportation Investment	
Vehicle Weight Fee	\$908
Motor Homes	130
Drivers Licenses and Related Service Fees	179
Total Investment for Non-Restricted Funds	\$1,217
Total 16-Year Funds Available for Investment	\$8,475

Totals may not add due to rounding

Where will the revenue come from?

Gas Tax increased by 9.5¢ (phased in over 4 years)

- 3.0¢ in July 2005
- 3.0¢ in July 2006
- 2.0¢ in July 2007
- 1.5¢ in July 2008

New Vehicle Weight Fees imposed on passenger cars

- \$10 for vehicles under 4,000 pounds
- \$20 for vehicles between 4,000 and 6,000 pounds
- \$30 for vehicles between 6,000 and 8,000 pounds

Increased Combined License Fees for Light Trucks

- \$10 for trucks under 4,000 pounds
- \$20 for trucks between 4,000 and 6,000 pounds
- \$30 for trucks between 6,000 and 8,000 pounds
- Farm Vehicles are exempt from this increase

\$75 Fee for all Motor Homes

Fees increased for various Drivers' License Services*

- Original and Renewal License Application increased to \$20 (previously \$10)
- Identicals, Driver Permits, and Agricultural Permits increased to \$20 (previously \$15)
- Commercial Driver License and Renewal increased to \$30 (previously \$20)
- License Reinstatement increased to \$75 (previously \$20)
- DUI Hearing increased to \$200 (previously \$100)

Fees Increased for various License Plate Charges

- Reflectorized Plate Fee increased to \$2 per plate (previously 50¢ per plate)
- Replacement Plates increased to \$10 (previously \$3)

*Vehicle and Driver Services fees were increased to cover cost of issuance; Personal use trailer license fees were reduced from \$30 to \$15.



How will the new revenue sources translate into typical annual costs for typical Washington drivers?

The Gas Tax increase:

If you drive 12,000 miles a year, how much will the new gas tax add-ons cost you each year?

Annual Cost of the 4 Year Phase-in of the New Gas Tax (12,000 Miles/year)				
Miles per gallon	July 2005 3¢ increase	July 2006 additional 3¢ increase total 6¢	July 2007 additional 2¢ increase total 8¢	July 2008 additional 1.5¢ increase total 9.5¢
10	36	72	96	114
16	23	45	60	71
20	18	36	48	57
22*	16	33	44	52
26	14	28	37	44
30	12	24	32	38
34	11	21	28	34
36	10	20	27	32
40	9	18	24	29

*Typical Ford Taurus - 20 mpg city, 27 mpg highway (www.fueleconomy.gov)

For a car that gets an average of 22 miles per gallon, driving 12,000 miles a year you will pay an additional \$16 per year in 2005, \$33 in 2006, \$44 in 2007 and finally by 2008 you will be paying \$52 per year for the new gas tax.

New Weight Fees for Passenger Vehicles

All passenger cars are charged a \$30 license fee. Passenger cars will now pay an additional weight fee.

How much will the new vehicle weight fee cost?

The following tables give vehicle examples for the three weight classifications. Most of Washington's passenger vehicles (84%) fall into the \$10 weight fee range.

\$10 Weight Fee 84% of Washington's cars are under 4,000 pounds

Chevrolet Cavalier	2,838 lbs
Ford Taurus	3,285 lbs
Jeep Grand Cherokee	3,900 lbs

\$20 Weight Fee 15% of Washington's cars are between 4,000 and 6,000 pounds

Lincoln Town Car	4,020 lbs
Buick Roadmaster	4,563 lbs
Lincoln Navigator	5,350 lbs

\$30 Weight Fee 1% of Washington's cars are between 6,000 and 8,000 pounds

Ford E-350 Super Club Wagon	6,030 lbs
Hummer	7,213 lbs
Ford Excursion	7,770 lbs

Increases to the Combined License Fees for Light Trucks

How much more is the combined license fee for your light truck?

Combined License Fees for light trucks increased according to gross weight. Gross weight is determined by the consumer and is based on vehicle curb weight plus anticipated hauling weight needs. The following tables give examples for the three weight classifications. Most light trucks (54%) fall into the \$20 weight fee range.

\$10 Increase (\$40 total) 20% of Washington's light trucks are under 4,000 lbs

Ford Ranger
Nissan

\$20 Increase (\$50 total) 54% of Washington's light trucks are between 4,000 and 6,000 lbs

Chevrolet Extended Cab 1/2 Ton
Ford Extended Cab 1/2 Ton
Dodge 1/2 Ton

\$30 Increase (\$60 total) 26% of Washington's light trucks are between 6,000 and 8,000 pounds

GMC 3/4 Ton 4X4 Extra Cab
Chevrolet 3/4 Ton 4X4 Extended Cab

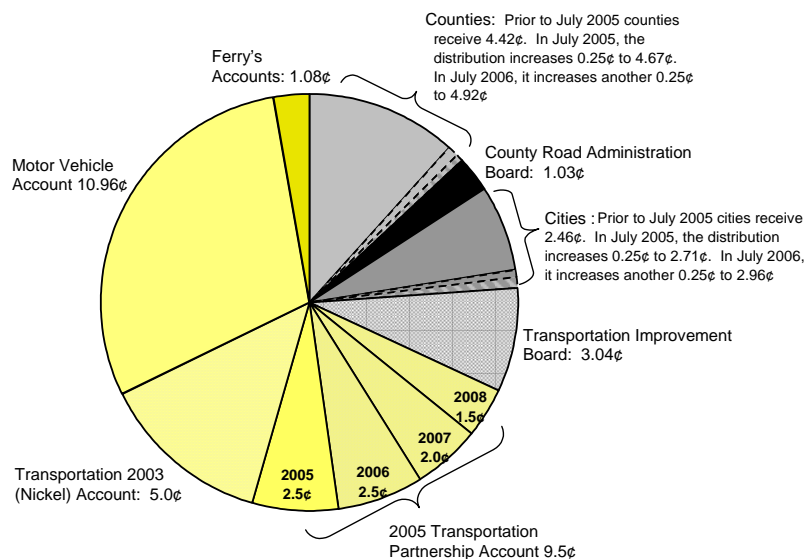
When all the new revenues are in place, how will the state's total gas tax amounts be distributed?

Collected at the state level, the gas tax is distributed by statutory formula. The gas tax is covered by the 18th Amendment of the State Constitution and can only be used for highway purposes. (State ferries are considered highways)

Cities and Counties currently receive a statutory distribution of the gas tax. The 2005 Funding Package provides an additional distribution to local governments. Cities and Counties will each receive a quarter of a cent from the first 3¢ increase in 2005, and another quarter of a cent each from the second increase in 2006 (totaling ½¢ for each). Like the state, Cities and Counties must use these funds for highway purposes.

The state (WSDOT) receives the remaining 2½¢ from the 2005 and 2006 increases, 2¢ from the 2007 increase, and 1½¢ from the 2008 increase (totaling 8½¢).

Statutory Distribution of the 37.5¢ Gas Tax 2008 (31¢ in 2005, 34¢ in 2006, 36¢ in 2007 and 37.5¢ in 2008)

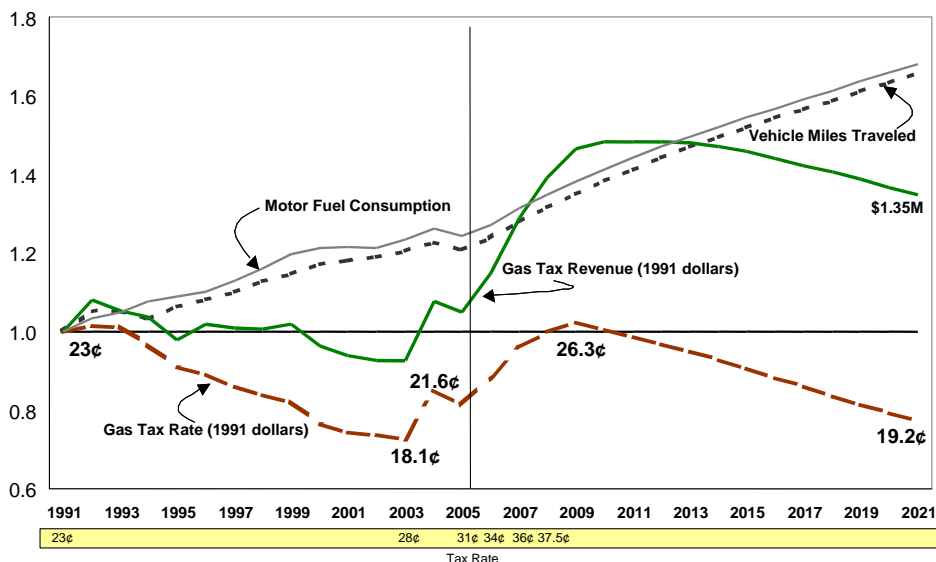


The pie chart displays the new statutory distribution of the gas tax, through 2008.

How will Washington's gas tax serve future transportation needs?

Looking at the gas tax over a period of time, from 1991 (when the gas tax was raised to 23¢/gal) out to 2021, the effect of inflation is clearly evident. The value (in 1991 dollars) of the 23¢ dips to a low of 18.1¢ in 2003, then rises to 21.6¢ when the nickel tax is added in 2004, then starts to decline again until 2005 when the new tax is implemented. It is projected to continue to rise through 2009 when it will reach a high of 26.3¢. The value then will start to decline again, reaching a projected 1991 purchasing power value of 19.2¢ in 2021. Revenues from the gas tax (expressed in 1991 purchasing power) follow the same trend line. However motor fuel consumption and vehicles miles traveled continue to grow at a consistent rate over time.

Growth Rates Compared
VMT, Fuel Consumption, Gas Tax Revenue, & Gas Tax Rate

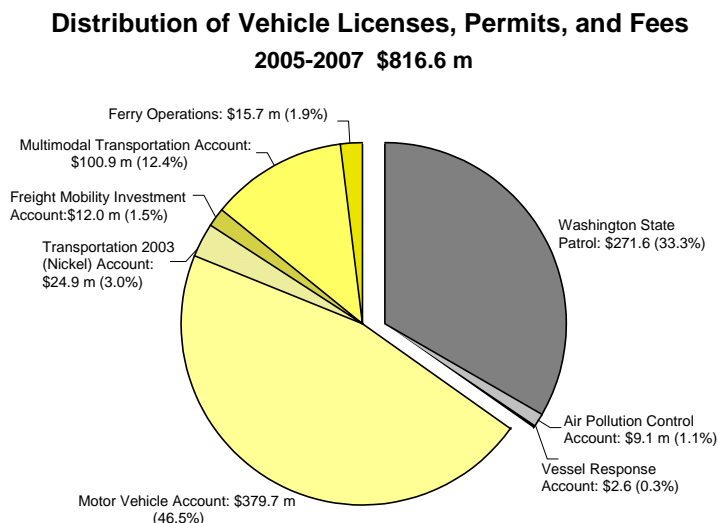


How are transportation revenues from vehicle licenses, permits and fees used by the State?

The 2005 transportation package imposes a new weight fee for passenger cars and increases the combined license fees for light trucks.

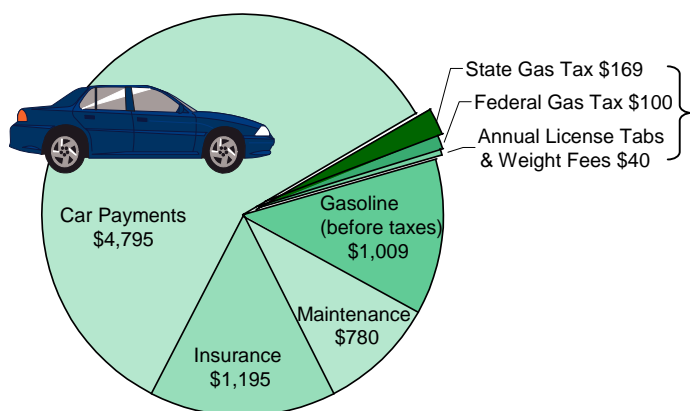
In addition the Freight Mobility Account is also established, funded from various licenses, permits and fees. This account will be used to fund various freight mobility projects including rail capital improvements.

This pie chart represents the distribution all vehicle related licenses, permits and fees for the 2005-2007 biennium.



What does it typically cost for us to travel by car and where does the money go?

Average expenditures for traveling in a typical passenger car in Washington State by major category



Annual transportation tax and fee payments attributable to a car driven 12,000 miles per year in 2005.

State Gas Tax 31¢/gal	\$ 169.08
Federal Gas Tax 18.4¢/gal	100.36
State License Tab Fee/year	<u>40.00</u>
Total	\$ 309.08*

*\$20 of the \$30 tab fee goes to the State Patrol and approximately 37% of the gas tax goes to local governments.

Note: Local option taxes for local transportation projects may exist over and above those listed.

Distribution of the \$309.08 in taxes and fees for a typical car

State Gas Tax to Cities and Counties for Roads	\$ 62.56
State License Tab Fees to the Washington State Patrol	20.00
State Gas Tax and License Tab Fees to WSDOT*	126.16
Federal Gas Tax Returns to the State for Federal Highway Programs**	<u>100.36</u>
Total funds distributed	\$309.08

* The legislature appropriates some of these state funds to other agencies including, DOL, State Parks, etc.

**Federal Highway Programs include monies for Local Governments as well as for the State.

Assumptions for 2005

Annual miles: 12,000
Miles per gallon: 22
Gallons per year: 545.5

Purchase price of a 2005 Ford Taurus: \$24,000
(10% down payment)

Annual Costs:

Cost of fuel* (excluding taxes): \$1,009
State Gas Tax: \$169
Federal Gas Tax: \$100
License Tab & Weight Fee: \$40

The \$126 WSDOT retains of the state gas tax and license tab fees maintains the state highway system, pays bond debt service on current, past and future capital projects and more.

* Based on the average annual cost for fuel for Washington State in 2004 (\$1.85/gal + .28 + .03 = \$2.16/gal) Provided by the Energy Information Administration. www.eia.doe.gov/emeu/states/oilprices/oilprices_wa.html

What funds are available for WSDOT to deliver its programs?

	For the 2005-2007 Biennium			Total Funds Available for WSDOT 2005-2007
	Funding that Pre-Exists the Passage of New Funding Packages in 2003 & 2005	2003 Transportation Funding Package 2005-2007	2005 Transportation Funding Package 2005-2007	
<i>millions of dollars</i>				
Operating Budget	\$1,052	\$44	\$10	\$1,106
Capital Budget	\$1,447	\$1,274	\$709	\$3,430
Total Funding	\$2,499	\$1,318	\$719	\$4,536

What do each of these packages mean in funding for WSDOT over time?

	Funding that Pre-Exists the Passage of New Funding Packages in 2003 & 2005	2003 Transportation Funding Package	2005 Transportation Funding Package
	FY 2006-2015	10-Year Plan FY 2004-2013	16-Year Plan FY 2006-2021
<i>millions of dollars</i>			
Operating Budget	\$5,492	\$253	\$447
Capital Budget	\$5,621	\$3,916	\$7,140
Total	\$11,113	\$4,169	\$7,587

Analysis of the 2005 legislative enactment has not yet been completed. The amounts shown are believed to be approximately correct but are still preliminary and subject to adjustment.

Pre-Existing funding is programmed in ten-year increments. Revenues are forecasted, bond sale plans are developed and project expenditures are projected over a ten-year period. As we end one biennium, another two-year period is added to the out-year plan. Our current ten-year plan goes from fiscal year 2006 through fiscal year 2015, in biennial terms, 2005-07 through 2013-15.

The 2003 Transportation Funding Package, which included the nickel gas tax increase and a sales tax increase on vehicle sales, was also for a ten-year period. Revenues are forecasted and projects were planned to take place within the ten-year period. Revenue collections and project expenditures started in July 2004. The final sale from \$2.6 billion bond authorization for this funding package will be sold by 2013.

The 2005 Transportation Funding Package is for a 16-year period. The revenues are forecasted and project expenditures are planned, and the bond sales will be spread over the 16-year period. The 16-year plan runs from fiscal year 2006-2021, in biennial terms, 2005-07 through 2019-21.

The 2005 Funding Package also provided apportionments for:

- ✓ Cities and Counties
- ✓ County Road Administration Board (Grant Programs)
- ✓ Transportation Improvement Board (Grant Programs)

What type of projects and programs does each of these funding sources deliver?

Pre-Existing Funding examples:

- Maintenance
- Asphalt and Chip Seal Repaving
- Bridge Scour Rehabilitation
- Longview-Rainier Bridge Painting
- Hood Canal Bridge Replacement
- Major Electrical Features Replacement
- Unstable Roadside Slope Repair
- SR 202/ SR 520 to Sahalee Way Widening
- Median Cross-over Protection on Divided Highways
- SR 20/ Monkey Hill Rd to Troxell Rd
- SR 20/ Troxell Rd to Deception Pass Vic
- I-90/ SR 26 Interchange-Ramp Improvements
- Fish Passage Barrier Removal
- Ferry Terminal and Vessel Improvements and Preservation
- Construction of Three Replacement Ferry Boats
- Expansion of the South Trestle in Seattle
- Rail Line Improvements for AMTRAK/Cascades Passenger Service
- Train Station Upgrades - Statewide
- Rural Mobility Grants

2003 Transportation Funding Package examples (chosen from approximately 160 projects)

- I-5/ Pierce Co Line to Tukwila – Northbound HOV
- I-5/ Concrete Pavement Replacement in Downtown Seattle
- Replacement of Non-standard Guardrail
- Replacement of Non-standard Bridge Rails
- I-5/Salmon Creek to I-205 - Widening
- SR 240/ I-182 to Richland Y – Add Lanes
- No. Spokane Corridor – Francis Ave to Farwell Rd
- SR 16/ Burley-Olalla Interchange
- SR 31/ Metaline Falls to Canadian Border – Roadway Reconstruction
- SR 106/ Skobob Creek – Fish Passage
- I-5/ Rush Rd to 13th Street – Flood Control & Widening
- I-5/ SR 502 Interchange and Corridor Widening
- Construction of One Replacement Ferry Boat
- Ferry Terminal Upgrades at Anacortes, Edmonds, & Mukilteo
- Point Defiance Rail By-Pass
- Rail Upgrades State-wide, including Port of Columbia
- Vancouver Rail Project (Passenger Service)
- Yakama Tribal Sawmill Rail Support
- Train Set Purchase
- Van-Pool Grants
- Para Transit/Special Needs Grants
- Rural Mobility Grants

2005 Transportation Funding Package examples (chosen from approximately 270 projects)

- Alaskan Way Viaduct (State funds)
- SR 520
- I-405
- Seismic Retrofit of Severe and Moderate Risk Bridges (approximately 175 projects)
- Bridge Replacement Projects
- SR 4/ Abernathy Creek – Bridge Replacement
- SR 6/ South Fork of Chehalis River – Bridge Replacement
- SR 532/ General Mark W. Clark Memorial Bridge Replacement
- SR 99/ North of Lincoln Way Sidewalks
- I-90/ Snoqualmie Pass East – Hyak to Keechelus Dam
- I-82/ Valley Mall Boulevard Interchange Construction
- SR 28/ Jct US 2/97 to 9th Street – Capacity
- I-5/ Downtown Bellingham On/Off Ramps Reconstruction
- SR 112/ Neah Bay to Seiku – Roadside Safety Improvements
- SR 500/ St Johns Boulevard – Interchange Construction
- I-5/ Boston to Shelby Southbound – Noise Walls
- Fish Passage Barrier Removal
- SR 530/ Sauk River – Chronic Environmental Fixes
- SR 9/ Corridor Improvements for Safety
- Freight Mobility Projects for Local Freightways
- Safe Routes to Schools Grants
- Para Transit/Special Needs Grants
- Construction of One Replacement Ferry Boat
- Terminal Improvements at Port Townsend and Fauntleroy and Bainbridge Island
- King Street Station Track Improvements to Prevent Freight/Passenger Conflicts
- Freight Rail Improvements Statewide
- Preservation of State-owned AMTRAK Train Equipment